

**Statement**

Sl. No.	Name of the Company	Amount involved (Rs. In crores)	Action Taken
<b>2004-2005</b>			
1.	Sri Lakshmi Textiles, Coimbatore	0.1	Show Cause Notice issued.
2.	New Generic Drug House	16.88	Show Cause Notice issued.
3.	Krishna Trading Co., Surat	0.31	Show Cause Notice issued. Case settled by Settlement Commission.
4.	A.B. International, Delhi	0.57	Show Cause Notice issued.
5.	NSP Electronics Ltd., Bangalore	3.24	Show Cause Notice issued. Case settled by Settlement Commission.
<b>2005-06</b>			
1.	GEA Energy System Ltd.	0.5	Show Cause Notice is under preparation.
2.	Raja Metal Corporation Ltd.	0.56	Under investigation.
3.	SRM Systems Software	0.25	Show Cause Notice issued.
4.	Reliance Industries Ltd.	5.12	Under investigation.
<b>2006-07 (upto Oct. 2006)</b>			
1	Kaatyayini Exports (EOU), Taloja	1.67	Under investigation.

**Efficiency of foreign banks**

2171. SHRI JANARDHANA POOJARY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a study conducted by RBI, the foreign banks operating in India are far better in terms of their efficiency and operating costs; and

(b) if so, the details thereof and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) According to the Report 'Trend and Progress of Banking in India' published by Reserve Bank of

India, certain parameters reflecting the efficiency of Foreign Banks in terms of operations and operating cost for the year ended March 2006 *vis-a-vis* all Scheduled Commercial Banks (SCBs) are furnished below:-

Item	Foreign Banks 2005-06 (%)	All SCBs 2005-06 (%)
Capital to Risk Weighted Assets Ratio	13.00	12.40
Gross NPAs as % to Gross Advances	1.9	3.3
Net NPAs as % to Net Advances	0.8	1.2
Net Profit to total assets	1.50	0.88
Operating profit to total assets	3.30	2.03
Cost Income Ratio	46.1	51.5

To facilitate quick and efficient decision-making in public sector banks and enable them to compete internationally, Government announced an Autonomy Package for these banks in February 2005. Further, the Government has put in place a mechanism to monitor the performance of all Public Sector Banks on the basis of the 'Statement of Intent on Annual Goals' submitted by them on various performance parameters.

#### **Reduction of interest rates for Small Savings Fund**

2172. SHRIMATI JAYA BACHCHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have agreed to reduce interest rates for States borrowing from National Small Savings Fund, if so, the details of the decision taken in this regard;

(b) the extent to which the interest rate is less as compared to bank rates and rates of other sectors alongwith the reasons for the reduced rate of interest; and

(c) whether this would also affect the availability of liquidity for depositors, if so, the details of the steps to address the problem?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PAWAN KUMAR BANSAL): (a) to (c) The rates of interest for State